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ABSTRACT

Suggestions for administrators who wish to implement Japanese management techniques in higher education are offered. These techniques are more than establishing quality circles; instead they propose different value structures that link employees and the organization. The organizational structures that typically exist in higher education and the way these structures affect staff development and authority and responsibility relationships are described, along with the basic principles of Japanese management, specifically the 13-step plan of Ouchi (1981) and the Seven S framework of Pascale and Athos (1981). The adaptation of Japanese management techniques is dependent upon the college president/chancellor either having or developing a management style that is appropriate for this type of change. The philosophy or superordinate goals of the organization are needed to provide a common understanding of goals for all employees. Institutional commitment to the faculty and staff is essential, and measurable outcomes and evaluations are crucial to effective functioning and fair treatment of employees. Additional recommendations are offered. (Author/SW)

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HIGHER EDUCATION AND JAPANESE MANAGEMENT

ARE THEY COMPATIBLE?

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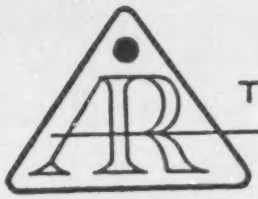

THE ASSOCIATION FOR INSTITUTIONAL RESEARCH

This paper was presented at the Twenty-Third Annual Forum of the Association for Institutional Research held at the Sheraton Centre in Toronto, Ontario, May 23-26, 1983. This paper was reviewed by the AIR Forum Publications Committee and was judged to be of high quality and of interest to others concerned with the research of higher education. It has therefore been selected to be included in the ERIC Collection of Forum papers.

D. R. Coleman, Chairman
Forum Publication
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ABSTRACT

Corporate executives have recently become enamored with Japanese Management techniques and the popular literature in this area has mushroomed. However, these techniques are more than establishing quality circles, but instead they propose different value structures that link employees and the organization. As Higher Education enters and adjusts to the strategic era of the 1980's, an adaptation of these values and a modification of current management philosophies could be essential for success. It is the goal of this paper to provide insights into existing obstacles, and potential strategies to overcome them, for administrators who would choose to implement these techniques in Higher Education.

Introduction

Japanese Management techniques have been "discovered" by American Corporate Executives as they seek to regain their competitive position in domestic and international markets. Books and articles have been written explaining these techniques and suggesting that American business should institute them. What is important to remember is that after World War II the Japanese adapted American management techniques based on their own cultural circumstances and that their methods cannot be transplanted directly into our society.

Higher Education has traditionally offered some distinct advantages for the implementation of Japanese Management techniques because of its collegial nature. But, it is the changing place of education in society and the changes within the content and nature of Higher Education itself that demand that these techniques be considered now. With the end of the "Golden Age" of Higher Education came the onset of 1980's realities: sharply increased operating costs and tuition; increased demand for accountability and measurable outcomes; increased competition; decreased enrollment of traditional students; decreased Federal and State support; and faculty and staff retrenchment. Resources, and in particular human resources, that were once taken for granted must now be managed effectively.

Traditional disciplines have seen declines in student

interest and in some cases cuts in faculty. Professional staff, used to expanding opportunities have seen their career paths narrowed in a stabilizing or contracting environment. Under the current conditions, the "up and out" method of promotion, usually favored by institutions to attract new ideas, is no longer a viable alternative for most. Faculty and staff recognize that they are likely to remain in their positions and that their advancement has become intertwined with the fortunes of the specific institution itself. As a result, what is left are problems of staff morale, professional development, mobility and concern for institutional decision making.

This paper concentrates upon three major areas. First are the organizational structures that typically exist in Higher Education, and how these structures impact on staff development and authority and responsibility relationships. Second, the basic principles of Japanese Management are presented, concentrating upon the 13 step plan of Ouchi (1981) and the Seven S framework of Pascale and Athos (1981). Finally, some potentials for adapting Japanese Management techniques into Higher Education are discussed along with some preconditions for change.

Organizational Considerations

As institutions have recognized the potential pitfalls of lower enrollments, increased costs and decreased funding in the 1980's, many have developed marketing orientations towards

external publics such as potential students, alumni and corporate sponsors. However, a set of publics that has generally been overlooked, even by organizations that have adopted a marketing orientation, make up the internal publics of the organization. These groups are responsible for transforming the various inputs into activities and services that accomplish the organization's mission, and they are the focus of this paper.

A bifurcated structure traditionally segments the Administrative and Academic functions into the various internal publics of a College. At the top of the organization, the Executive Management consists of the President and the Academic and Administrative Vice Presidents who are responsible for the overall direction of the institution and for the coordination of the other internal publics. The Administrative Management is made up of Assistant Vice Presidents and/or Directors who supervise the ongoing operations of the College. Professional staff members are generally the "front line" employees who handle the day-to-day functions and decisions. Secretarial and clerical staff support the Professional staff in their functions and are often the initial and most influential contact with the students and other external publics. Maintenance and technical staff are responsible for the grounds, physical facilities and equipment and their relative level of success affects the comfort and performance of the other internal

publics, as well as the external publics. On the Academic side, the Academic Management consists of Deans and Department Chairs who develop and implement academic policies and procedures. Tenured faculty are the most senior academic staff. Non-tenured faculty are probationary staff, in the sense that they try to demonstrate their credentials over time in order to achieve tenure. Part-time faculty are hired on a "need" basis and are not usually accorded any priviledges beyond the term of employment.

One drawback in internal/external public interactions, especially in education, is the feeling that "we are all professionals here, we know what they want". This feeling also tends to spill over into the inter-relationships among the internal publics as well. Most people have expectations about other group's attitudes and behaviors and this often affects their managerial decisions. Since most managers at all levels have had little, if any, formal management training, they often subscribe to the Theory X or Theory Y extremes which focus on the negative and positive aspects of human nature in the work place, (McGregor, 1960). These views of human nature affect the approach to staff development. The negative Theory X approach would see little use in training and development for new responsibilities since the workers would be viewed as lazy and unwilling to perform beyond the minimal requirements. Conversely, the positive Theory Y approach would see great value in training and development

since the employees would be seen as highly self-motivated and concerned with self-actualization. Since most educational institutions lack well-developed formalized training or staff development programs, quite often the decision to train employees "in-house" or through external workshops or seminars is an individual manager's decision. Since the former requires an extensive investment of time, and the latter often means an extensive investment of money, the expectation of the manager can lead to extremely variable outcomes thoughout the organization.

Given these considerations, it is not surprising to find that many higher education institutions operate as if they were two separate and distinct entities. On the Administrative Management side of the institution, a hierarchy of managerial relationships is usually apparent. The delegation of authority and responsibility for functions is usually well specified, as are the subordinate/superior relationships at each level. There is usually a very formalized series of channels that affect the behavior of the individuals involved.

These formal and informal mechanisms contribute to a specialization of training and functioning, and to a narrowed perspective towards other administrative functions, and especially towards activities in the academic area. There often is an increased commitment to a professional association, trade association or union where those with

similar interests are grouped. Reliance upon individual performance for success, rather than upon organizational success for satisfaction, can become commonplace.

In the final analysis, most employees view the organization as a source of employment, but since the organization does not make a commitment to the individual as a person, the individual generally does not make a deep, long term commitment to the organization. Employees can still perform well under these conditions, since many are driven by internal needs to excel or by professional standards of excellence, however, it is not institutionally motivated. If opportunities exist for promotions and/or increased pay in another organization, most choose to take advantage of them and are in fact supported in this decision by the formal and informal organizational structures and relationships.

The Academic Management side of the organization typically has a much different pattern of existence. In place of the highly structured administrative forms, the collegial approach is the preferred mode of operation. In this approach, all faculty are considered to be experts in their fields who come together to develop resolutions by consensus on issues relating to academic programs, departmental governance and personnel decisions. The traditional collegial pattern has primarily focused on internal academic concerns, and upon making recommendations about broader goals to the Administrative Management. However, with increased academic

concern over budget and personnel reductions, more interest has recently been expressed in areas normally associated with the Administration. There are few explicit definitions of authority and responsibility, and only tenuous superior/subordinate relationships as a result of the collegial model. In fact, faculty can with relative impunity skip several layers of the organization to press for an individual or group concern.

As was apparent in the Administrative Management, there is specialization of function in the Academic areas as well. However, the extreme and deliberate specialization of education and training is much more obvious. Quite often members within the same discipline have little or nothing in common. Generally there is a lack of interest in Administrative functions. Quite frequently there is also a belief that these functions are to serve the faculty, not that both groups are meant to serve the paying customers--the students. The isolation of the faculty and administrators perpetuates the images of the former as "bright but not over-worked on a three day class schedule" and the latter as "rather dull paper-pushers".

Finally, as administrators identify with their professional organizations, trade associations and/or unions, academics identify closely with their discipline, their major professional organizations and their special areas of in-depth training rather than the organization. The same belief in

"move out to move up" also exists. Since faculty desire higher and more prestigious positions, the previously high rate of faculty turnover is, therefore, not surprising.

PRINCIPLES OF JAPANESE MANAGEMENT TECHNIQUES

The fundamental difference in the Japanese Management approach is its concern for the employee as a human being rather than as a piece of machinery to be meshed into the organization. One segment of this technique is the concept of long-term employment. When coupled with frequent job rotation, often in a lateral direction, to learn the many facets of an organization's operations and to develop dependence on one's peers and work groups, it leads to a more integrated and "family" atmosphere of the employee with the organization. As Ouchi (1981) suggests, these organizations have achieved a high state of consistency in their internal cultures (publics) and the socialization to a common goal allows each individual to do what he wants, but it is also what is best for the common good.

One important outgrowth of this practice is that planning and evaluation can be approached as a long-term process. In the companies that Ouchi (1981) examined, there were no formal evaluations or promotions for ten years following entry into the company. All who entered at the same time were rewarded equally, and this led to the prevention of short-run tactics and profiting at another's expense. No short-term performance objectives were established for individuals and this led to

the successful group cooperation vital to the smooth functioning of the organization. The same long-term approach applies to the decision-making process as well. This includes the provision for a participative approach and a search for consensus since it is believed to lead to more creative decisions and allows a much more effective implementation process. Collective responsibility for decisions increases the sharing of information, but it also causes people to work toward the successful outcome since they have internalized the goal as part of their role in the process. Once a decision has been reached to proceed in a particular direction, the Japanese approach (Pascale and Athos, 1981) is to continue towards the goal while gaining additional information to be able to obtain a successful outcome. This takes the place of making an immediate announcement of the changes to take place without considering the ramifications, which seems to be the American approach.

While these seem to be fairly "qualitative" approaches to long-term planning, Pascale and Athos (1981) also described a very formalized planning process that occurs, not at the individual level, but at the divisional level within an organization. Every six months, each division must provide three distinct sets of plans. A five year long-term plan; a two year mid-term plan; and a six-month operating plan. The operating plan is required to be detailed and measurable and is developed into a managerial information system that

measures expectations against actual performance.

A third important management technique is the emphasis on staff development. Where American companies and individuals prize high degrees of specialization because it allows people to fit easily into the organization and it maintains high marketability, the Japanese take the opposite approach. They develop generalists through the varied experiences in many areas of the company over long periods of time and gain high degrees of coordination as a result. This long-term commitment to the company and the loss of marketability through generalized training is returned by the organization's commitment to the feeling of responsibility to help the employee's inner selves. The managers are expected to serve as trainers and developers of character and abilities, and this process of long apprenticeships also tends to transfer the company values. The basics of training include selling or working directly in a retail outlet, time on an assembly line and introductions to company organization, financial systems and philosophy. Each year, five percent of the staff is rotated to new divisions. Pascale and Athos (1981) also discuss the importance of the mentor-protege relationship and how it functions to create the productive and harmonious working relationships in Japanese companies. The higher up one is in an organization, the more important it is to know how the process of business is carried out. These working relationhips teach management through experiencing, watching,

feeling, sensing and imitating. Executives expect a subordinate to assist his senior in such a way that he leaves to his boss all credit for outward appearances. However, it is understood that whatever a boss achieves is the result of the subordinate's efforts and support.

Finally, Pascale and Athos (1981) have developed a classification of elements within management that helps distinguish the success of the Japanese approach. First there are the "Hard S's" which American managers tend to concentrate upon exclusively, but which Japanese managers use as part of a more comprehensive management technology. These are Strategy, Structure and Systems. They relate to plans of action to reach goals; to creation of organizational line and staff relationships; and, to establishment of information flows within the organization. It is the "Soft S's" which introduce a more qualitative approach to management, that are more unusual. These are Staff, Style, Skills and Superordinate Goals. They correspond to the background, specialty or educational characteristics of people in the organization; to the patterns of behavior of the top executives and senior management team in achieving organizational goals; to the distinctive abilities of the key personnel and the organization that distinguishes them from the competition; and, to the significant and shared values that an organization and its members dedicate themselves to achieving. These four "Soft S's" are critical to the long-term success of an

organization, but they are also dependent upon the organization itself operating under a long-term perspective that allows them to be brought into operation initially.

ADAPTING JAPANESE TECHNIQUES INTO HIGHER EDUCATION

The adaptation of Japanese Management techniques is dependent upon the Chief Executive Officer (where the CEO is typically a Chancellor or President) either having or developing a management style that is appropriate for this type of change.

Ouchi (1981) provides a 13 step process for moving an organization towards the Japanese style, and the third of these steps is the involvement of the leader since the change process requires his direct and personal support. We agree with this approach in theory, but since the case studies focus upon the importance and constant involvement of the CEO in Japanese companies, this type of change would seem to require the leader actively initiating and implementing the process. Additionally, there is no case study of anyone other than a CEO being able to move an organization to this goal. The United Airlines example presented by Pascale and Athos (1981) described the effective leader as one who adopts the style of a "superfollower", who serves with his follower's blessing and consent, and who is able to inspire because he is first able to respond to their needs and concerns.

In the Higher Education setting, this approach would also seem to be effective, and the leader should (as occured in

that case):

Implement a teamwork approach based on mutual trust.

Focus on initiative, pushing responsibility and accountability out toward those closest to the problem.

Encourage satisfaction and development of the staff.

Implement a "people orientation" towards clients and employees, based on an "authority is delegated upward" belief.

Develop visible management so that employees can see the man in charge and have a direct two-way flow of information.

Provide consensus decision-making by consulting subordinates in informal face-to-face meetings and working through people by selling them on the merits of a program and its logic and goals.

Have concern for information collection and participative planning and control systems.

Given the importance of the leader in establishing a Japanese management approach, the Philosophy, or Superordinate Goals of the organization are needed to provide a common understanding of goals for all employees. Both Ouchi (1981) and Pascale and Athos (1981) recognize the importance of these goals since they provide value descriptions of the organization as an entity; its relationships to external publics; internal operations and relationships with employees (internal publics); and the relationships with society, the state and culture.

For an educational institution, superordinate goals might

include:

That the College exists to provide educational, growth and developmental services, through a team oriented approach, to all those who can benefit from them.

That the College seeks to identify and attract individuals as students who can best be served by the programs and services available. These students will be improved and developed by their college experiences, and alumni will be encouraged to play an active advisory role in the educational process. Students will be appropriately recognized as consumers whose satisfaction is essential to the continued existence of the institution.

That all employees are expected to perform as professionals, and as such the levels of responsibility and authority will be decentralized so that a "student oriented" approach can be maintained with minimal bureaucratic red tape. All employees will have opportunities for professional development and education, and will be exposed to many areas of the College over time to learn the inter-relatedness of its functions. This long learning process will require slow promotion, however, all advancements will occur from within based upon performance and adherence to college values. Decisions will be based on employee input from all levels and these opinions will be considered and circulated in the search for consensus and group responsibility for implementation.

That the College exists to provide society and the state

with educated citizens who will benefit them through their training and service, and commitment to the values of representative democracy.

Institutional commitment to the faculty and staff is essential. One aspect of the system is that staff and faculty rotation is vital to a complete understanding of the College and the ability to provide the best service to the students and society. All new employees should have an extensive orientation and/or training program, and development programs should be available either internally or externally. For example, all professional staff and faculty should participate in both advising and instruction at the introductory level, as well as in student services and administrative activities during their early years at the College. Over time, the individuals will move more into their chosen areas of expertise, but will still be expected to participate in these other activities, although at a reduced level. Professional staff will rotate within the administrative areas periodically, and Faculty will expand their teaching expertise into associated disciplines. Development programs should include management education as well as coursework in a variety of disciplines to increase the ability to teach effectively, to take advantage of new technologies and to expand into new areas of interest. Classified staff will be encouraged to continue their education, either in academic or vocational areas. They will also be rotated through a variety

of positions in the institution and then will be assigned primarily to the area in which their interest or expertise lies.

Measurable outcomes and evaluations are crucial to the effective functioning of the College as well as to the fair and impartial treatment of employees. Since a long training and development period is expected to occur, there will be minimal formal evaluations in these years. However, as assignments are made in specific areas, they will be accompanied by expected performances. Actual and expected performances should be compared so that those who produce extraordinary results in the interests of the institution, the students and the society at large will be receiving positions of increased responsibility.

A long-term perspective in planning and employment is essential to the long-term success of the College. Each unit and each division might be expected to prepare a standardized set of planning documents at four month intervals. This set might include a four-month operating plan for the upcoming semester; a two year plan of anticipated program changes, developments and results; and a five year plan of long-term program revisions, eliminations and creations. The initial goals and objectives should be developed at the unit level, discussed and agreed upon at the divisional level, and finally discussed at the executive level and returned to the unit with suggested modifications or changes, if any. Final approval

would follow the same process with all levels reaching agreement on, and being responsible for, the successful implementation of the programs. Each unit and division would then be evaluated against these plans with the results indicating the success of the unit; the appropriate rewards and/or reassignments to be handed out; and/or the need to establish problem solving task forces to remedy serious problems.

On the employment side of the picture, the expectation is that the staff will spend the majority, or entirety, of their career with the College. Promotion will occur from within and each individual will be encouraged to develop himself/herself under the guidance of a middle or executive manager to his/her highest degree of responsibility. Superior performance will be rewarded with commensurate opportunities for advancement. Poor performance will not result in termination, but can lead to retraining for more suitable positions or reassignment to a position of lower responsibility. Termination would occur, however, if cases arise where employees act to benefit themselves at the expense of their peers or subordinates, or do not adequately try to provide service to the students and the society.

The actual implementation of such a management technique is not an easy process. As Pascale and Athos (1981) note, the importance of an organization's history should not be overlooked. Also, organizations tend to grow through stages,

face and surmount crises, and learn lessons that shape the future as part of strategic eras. One cautionary note is that they warn that past history can get in the way at the end of strategic eras and in the transition between these eras. Their case studies suggest that incumbents whose terms spanned these transitions were more inclined to failure. In fact, the transition period is a time for an organization to slowly give up its past history and values and to begin to prepare for the time when new meanings can be accepted. When the organization is seen, and views itself, as in difficulty, it is far along the road to recognizing the need for change and developing the willingness to accept it.

Higher Education can be seen as currently in one of those transition eras, as the days of an oversupply of traditional-aged students, state willingness to finance expansion of the educational sector and societal acceptance of the inherent value and financial return on education are gone. Instead we are typically faced with declining enrollments, increased competition for students, failure of small, liberal arts colleges, state budget cutbacks, and a lowered societal regard for colleges. It is possibly still too soon for most faculty and staff to begin to give up the previous values relating them to their colleges, but surely they must be aware of the tenuous position which they face. The challenge is for incumbent and future leaders to recognize that Higher Education and society are undergoing profound changes and for

them to begin to lay the groundwork for the process of change that will be required to ensure the survival of their institutions. Rapid change is probably counter-productive within most institutions at the present time, but leaders of colleges near the edge of extinction must be able to recognize its impending arrival and should then prepare to take advantage of the recognition of the faculty and staff that radical change is necessary for continued existence. These leaders must also be prepared for the extensive amounts of personal time and effort that are required to build a management team based on mutual trust and to market the changes downward throughout the organization so that changes can be accomplished that will be adequate to succeed in the strategic era of the 1980's and 1990's.

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